

**FISCAL NOTE**  
**HB 1818 - SB 1847**

March 9, 2001

**SUMMARY OF BILL:**

- Repeals the current fee provisions for regulatory activities of the Department of Agriculture and requires the commissioner to promulgate rules as may be necessary to revise fees deposited into the Tennessee Agricultural Regulatory Fund to recover at least the majority of costs associated with implementing most of the programs. Fees, civil penalties and damages collected would be deposited in the fund.
- Requires the commissioner to consider economic impacts before establishing fees. Certain programs are exempt from the majority-cost recovery requirement including feed/seed/fertilizer/commercial feed/ brand registration and hatcheries. Requires the commissioner to consult with an advisory committee during the fee promulgation process.
- Establishes a fee increase schedule which prohibits the Commissioner from increasing fees more than once every 4 years at which time fees may not increase more than 20 percent from the previously established fees.
- Requires the commissioner to file annual reports with legislative committees as well as the chairman of the house agriculture committee and the chairman of the senate commerce, labor and agriculture committee on expenditures and revenues.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - \$3,450,000/Agricultural Regulatory Fund**

**Other Fiscal Impact - Approximately \$275,000 of fees currently collected are deposited into the General Fund. Under the provisions of the bill, all fees would be deposited to the credit of the Agricultural Regulatory Fund.**

Estimate assumes current fees for programs and services regulated by the Department of Agriculture would be increased to a level to recover at least the majority of costs for programs and services.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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